

PayActiv: A New Service Available in Times of Need

Have you ever wished you could access your money immediately after you've earned it? Have you ever needed a little cash ahead of pay day? If so, you are not alone. About 50% of all workers in the United States have less than \$400 in savings for unanticipated expenses.

A new service is now available to LSS staff specifically for these types of situations. Through a partnership with PayActiv, we can now help LSS employees with their short-term financial needs.

What is PayActiv?

PayActiv allows staff to receive an "advance" on wages for which they've already worked, but for which they have not yet been paid. Unlike a loan, PayActiv gives you an advance on your own earned wages for a "per transaction fee" of \$5.00. You might think of this \$5 fee like the extra few dollars you pay to withdraw cash from some ATM machines.

How does it work?

Each morning, PayActiv receives a report from our payroll system with the number of hours each employee has worked in that pay period. Matching those hours with the monthly demographic report, PayActiv is able to estimate how much the employee has earned in that pay period. PayActiv then reduces this pay estimate by half and displays the lower dollar amount as the amount available for you to receive "on the spot" when visiting their app. If you want to access the money, you simply pay a flat \$5.00 transaction fee. Once you pay the \$5 fee, you may make up to 3 transactions against your available balance through the rest of that pay period at no additional cost. Interest is never charged through PayActiv.

For example, an employee who is paid \$10/hour visits the PayActiv app on the 4th day of a pay period. They've worked two 8-hour shifts in that pay period so far or 16 hours. **16 hours x \$10 = \$160**. Half of the \$160 they have earned, minus the \$5 transaction fee, is available for them to access in advance of payday, i.e. \$75.

You may request the money be applied to a pay card of your choosing, transferred to a bank account, and/or withdrawn from a participating ATM as cash.

How do you pay back the money you've accessed?

After each pay period ends, PayActiv will send our Payroll department a report listing all employees and their outstanding balances owed. The amount owed will be deducted from that next pay slip. If an employee does not have enough pay to cover their outstanding balance, it will roll over to the next pay slip without any interest or penalties being imposed.

In addition to this primary service, PayActiv also provides free savings and budgeting tools, free financial counseling services, free financial literacy services, free bill payment, and other discounts at no cost.

For more information about PayActiv and directions for no-cost enrollment, please visit the "Pay Advances" section of our LSS Benefits Website @ www.LSSLiving.org/Benefits. You may also call PayActiv directly at 1-877-937-6966